



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held September 26, 2006, the Board took the following action:

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Supervisor Yaroslavsky made the following statement:

“On September 21, 2004, this Board approved the sale of a surplus County-owned property located at 5026 Santa Monica Boulevard to Hollywood Community Housing Corporation (HCHC) for its fair market value of \$1,500,000. The sale was conditioned upon HCHC receiving the required jurisdictional and financial approvals to build a mixed-use project with some retail and at least 50 units of housing affordable to persons of very low income within two years. The County granted HCHC a short-term loan secured by a deed of trust in the amount of \$1,495,000 at seven percent interest that will be due and payable on September 23, 2006. HCHC has made considerable progress in obtaining the required approvals, and has secured all but one of the necessary financial commitments and made significant progress in their efforts to obtain building permits from the City of Los Angeles, but additional time is needed to complete the approval process.

“HCHC’s failure to obtain all necessary governmental approvals and financing as of July 30, 2006 triggered an ongoing option for the County to repurchase the property and a right for HCHC to require the County to repurchase the property pursuant to an Option Agreement which is secured by the deed of trust, as is the Agreement of Purchase and Sale and Restrictive Covenant and Regulatory Agreement.”

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Therefore, on motion of Supervisor Yaroslavsky, seconded by Supervisor Antonovich, unanimously carried, the Board took the following actions as authorized by Government Code Section 25539.4:

1. Made a finding that the amendment of an existing promissory note does not constitute a project under the California Environmental Quality Act and the Los Angeles County Revised Environmental Document Reporting Procedures and Guidelines;
2. Authorized the Chief Administrative Officer to draft a note extension for the sale of County-owned surplus property located at 5026 Santa Monica Boulevard to Hollywood Community Housing Corporation (HCHC) for a period of not more than 120 days in the form of an amendment to the note, including a statement that the Option of Purchase, Agreement of Purchase Sale remain unchanged and in full force and effect, and subject to HCHC providing the County with an endorsement to its title policy insuring against a loss of priority, and instructed the Mayor to sign the note extension upon approval of County Counsel; and
3. Authorized the Chief Administrative Officer to negotiate and approve on behalf of the County any other related documents or agreements required to allow HCHS to meet the conditions originally imposed by the County, subject to approval by County Counsel.

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Copies distributed:

Each Supervisor
Chief Administrative Officer
County Counsel